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To: ETTestimony
Subject: I support HB 6650

Please submit this Testimony of Hugh Karraker Before the Commerce Committee

In Support of

HOUSE BILL 6650, AN ACT CONCERNING ENERGY EFFICIENCY PROGRAMS

Submitted by Hugh Karraker

March 19, 2013 Senator LeBeau, Representative Perone, and members of the Committee,

Thank you for the opportunity to comment on HB 6650, AAC Energy Efficiency Programs. I am pleased to support this bill.

Connecticut's energy efficiency programs help state residents lower their energy usage, which not only cuts bills but also improves air quality and reduces our state's greenhouse gas emissions. However, because fuel oil and propane customers do not pay into the efficiency fund via their heating bills, they have limited access to these programs. Last year's legislation provided a stop-gap, but that will soon expire.

Without action this session to establish a new and steady funding stream, the 48 percent of Connecticut homes that use fuel oil will soon lose most of their access to cost-saving, pollution-cutting programs like Home Energy Solutions. HB 6650 offers a definitive solution by establishing a small surcharge to supply an oil efficiency fund. Because this is important to me, I'm willing to pay a little extra in my oil bill to see this bill go through. I would like to see local efficiency businesses hire skilled workers because oil customers are asking for their services. I'm concerned about green house gas emissions from burning heating oil and I want to make it easier and more affordable for people to reduce their emissions.

HB 6650 establishes an Oil Heat and Propane Energy Efficiency Fund, to be supplied by a new excise tax on fuel oil and propane. The tax will be phased in over several years and is small enough that it will not unduly burden customers (smaller than the average fluctuations in oil costs over the course of a heating season). The new Fund will plug into existing structures; it will be administered by the Fuel Oil Conservation Board, which will disburse money to the Energy Conservation and Load Management Fund for use in Home Energy Solutions and other programs. The bill also requires that fuel oil and propane customers who receive aid from state programs have boilers or furnaces that meet or exceed federal Energy Star standards. These measures will allow oil customers take advantage of programs that can save them hundreds of dollars a year while generating jobs at efficiency businesses and reducing greenhouse gas emissions.

Connecticut's home performance and energy efficiency sector has tremendous growth potential, but only if the all residents are able to access energy programs. **Providing full and reliable access to**

state efficiency programs will dramatically increase use of these services, and enable businesses to train and hire more skilled workers to steady, local jobs.

It is in the state's interest to help residents burn less heating oil—as well as use less electricity and heat water more efficiently—because this will help meet our obligations to reduce greenhouse gas emissions under the Global Warming Solutions Act (P.A. 08-98). **Household energy use is responsible for approximately 40 percent our state's GHG emissions, and we cannot significantly reduce emissions from this sector if 48 percent of homes are left out.**

This legislation will not take money away from the state's General Fund, nor will it divert money from natural gas and electric heat customers, as funding will be limited to the money collected via the new excise tax.

Please support HB 6650 for the savings it offers to the half of Connecticut ratepayers who heat with oil, for its benefits to air quality and GHG reduction, and for the jobs it will help create at our local efficiency businesses. Thank you for your consideration.

Sincerely,

Hugh Karraker

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